

HGAR Statement in Favor of Restoring the full SALT Deduction



Dear Chairwoman Lowey,

Thank you so much for this opportunity to submit written testimony to the House Ways and Means Committee. HGAR represents 11,500 real estate agents from Sullivan County on down to Manhattan. The cap on the SALT deduction has brought tremendous uncertainty to the local housing market here in the Hudson Valley in New York. New York is a high cost area with many diverse options for housing. The one main thing that we share is that the cost to own a home in New York is high.

Middle income New Yorkers will bear the brunt of the cap on the state and local income tax deduction. Many people from lower cost states will say this is a state issue and the state should lower taxes and spending at the state level. The flaw in this argument is that New York as a whole already send way more to Washington then we get back in return. We are known as a donor state. It would be like if we told certain states during a natural disaster that they could not have tornado relief.

The key driving New Yorkers high taxes is high real estate values. New York will always be an extensive place to live, work and play. A family of 4 in the area making in the low six figure range has trouble making ends meet because of high real estate prices and high property taxes. If the housing market in New York and other states like it suffer the entire country suffers.

The country has been in an economic recovery now for 9 years. Capping SALT along with the scaling back of the mortgage interest deduction will have long term effects on wealth creation in the U.S. and will hurt America's biggest asset which is their home. This has also hurt New York's Sate budget and create new fiscal short falls that the Governor and the Legislature must deal with. This will affect all areas of our state whether they are upstate or down state. We urge the committee and urge Congress to reinstate the deduction as soon as possible. HGAR headquarters is located at One Maple Ave. In White Plains, NY, 10605. My phone number is 914-681-0833 extension 311. Our fax number is 914 681 6044. Thank you.

Sincerely,

Philip Weiden | Government Affairs Director

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